

Offshore Stats

A quarterly of OCS-related natural gas and oil information

These statistics are preliminary and are subject to change. However, they do accurately represent OCS activity levels as of the end of the quarter.

National Trends

Total petroleum imports averaged 9.7 million barrels in the second quarter of 1996. This was an increase of 9 percent from the same period one year ago. Petroleum products supplied for domestic use for the second quarter averaged 17.9 million barrels per day—up 2.2 percent from the rate a year ago. [*Monthly Energy Review*, Sept. 1996 issue.]

Crude oil prices for the second quarter of 1996 averaged as follows: West Texas Intermediate (WTI) crude averaged \$20.42 per barrel, Saudi Arabian Light (SAL) averaged \$18.82, and Alaska North Slope (ANS) averaged \$15.54. For the same period in 1995, the prices were WTI \$18.25, SAL \$17.90, and ANS \$11.62.

[Prices based on quotes from the Oil & Gas Journal.]

OCS Trends

Statistics for the second quarter of 1996 show for exploratory drilling a quarterly average of 34 wells—up from the quarterly average of 22 a year ago. Development drilling averaged 47.7 wells per month—up from last year's second quarter average of 44.3. (See drilling table, p. 2.)

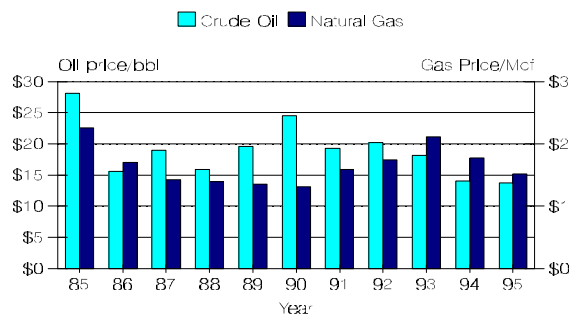
As of June 1996, existing leases totaled 5,499 compared to 5,093 a year ago. Almost one third (1,650) of these leases are producing. (See regional table, p. 3.)

Platform installations for the second quarter exceeded removals by 5 (17 were installed; 12 were removed). (See regional table, p. 3.)

Oil and gas production statistics thus far for 1996 (through June) show oil production down by 9.09 million barrels compared to the same 6-month period a year ago, but gas production is up by 94.89 billion cubic feet compared to the same period last year. (See production table, p. 2.)

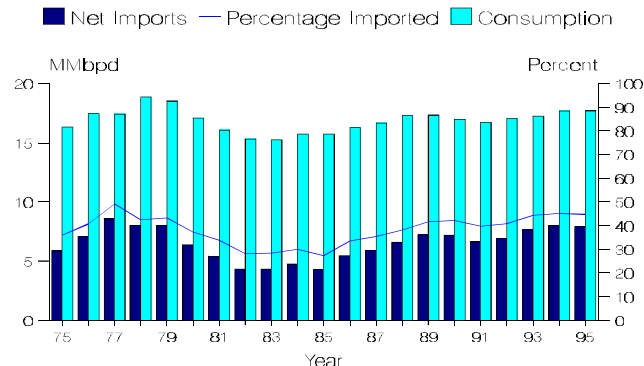
WE NEED YOUR HELP! Please see the Customer Response Request on the last page of this newsletter.

Prices of Crude Oil and Natural Gas



Source: Oil and Gas Journal.
Note: Price for crude oil based on West Texas Intermediate.
Price for natural gas based on State Agency average of MS, NM, OK, and TX.

U.S. Crude Oil: Consumed & Imported



Source: Monthly Energy Review, DOE/EIA

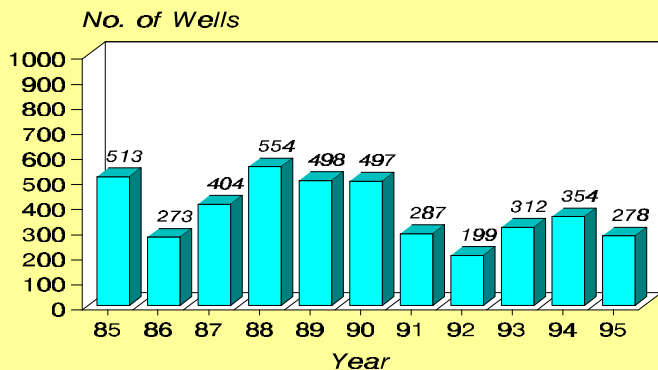
INSIDE STATS...Data through June 1996

Drilling—National OCS Monthly Data	2
Production	2
Regional—OCS Quarterly Data	3
Operators Producing Oil & Gas on the OCS	3
Deepwater Discovery in GOM	3
Rigs & Production Platforms	4
Deepwater Fields—GOM	4
Mars Surpasses Auger's Record	4
Inspections, Compliance & Training	5
Regional OCS Oil Spill Data	5
OCS Revenues—Rents & Royalties	6
Disbursements—Section 8(g) by State	6
Other Disbursements	6
OCS Revenue Contributions	7
OCS Civil Penalties Paid in FY96	7
Historical Firsts	8

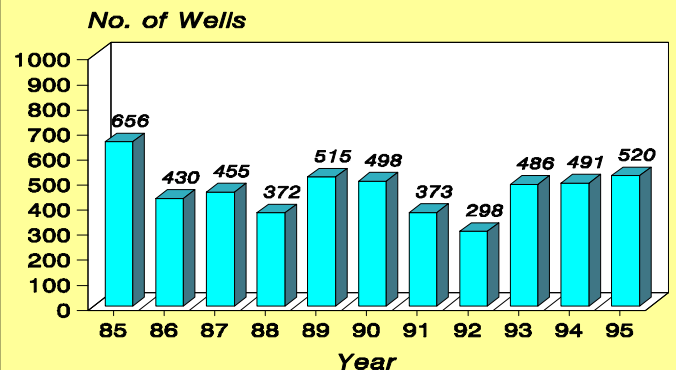
Drilling—National OCS Monthly Data

Wells Started	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Total
• Exploratory:													
1996	30	23	18	50	30	22							173
1995	24	18	16	22	24	20	43	16	19	26	16	34	278
• Development:													
1996	52	49	48	54	47	42							292
1995	43	28	39	40	38	55	59	47	32	62	45	32	520

**Exploratory Wells Drilled on the OCS
1985-95**



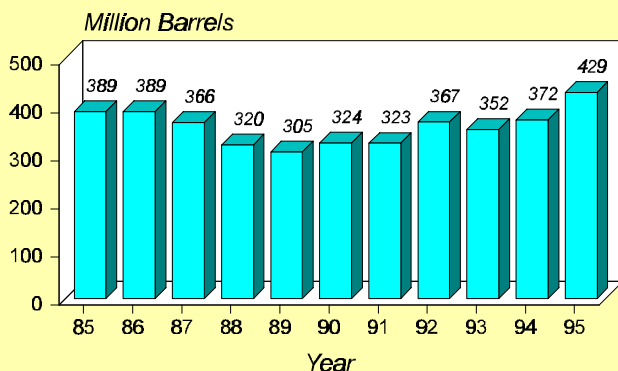
**Development Wells Drilled on the OCS
1985-95**



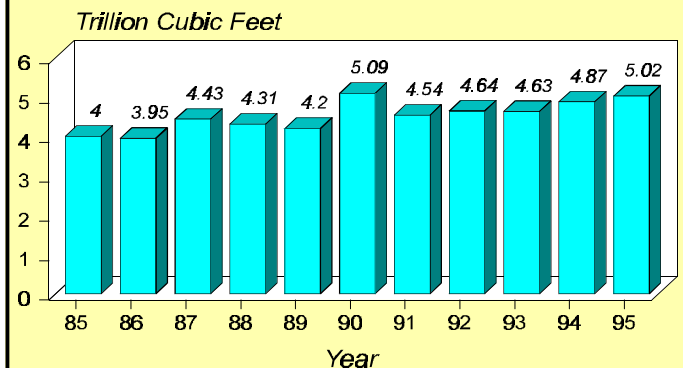
Production [Total volume]

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Total
Crude Oil & Condensate Combined (million barrels)													
1996..	36.74	34.82	36.87	34.63	36.03	35.02							214.11
1995..	56.26	26.83	34.50	34.05	36.46	35.10	35.10	33.28	32.93	32.64	35.64	36.40	429.19
Gas Well Gas & Casinghead Gas Combined (billion cubic feet)													
1996..	428.49	405.79	438.44	416.41	434.36	412.66							2,536.15
1995..	422.18	371.68	409.39	405.16	424.43	408.42	419.42	384.43	440.91	419.73	445.46	463.90	5,015.11

**Federal Offshore Crude Oil and
Condensate Production, 1985-95**



**Federal Offshore Natural Gas
Production, 1985-95**



Regional—OCS Quarterly Data

	Alaska		Atlantic		Gulf of Mexico		Pacific		Total	
	Qtr.	YTD	Qtr.	YTD	Qtr.	YTD	Qtr.	YTD	Qtr.	YTD
Prelease Activities:										
G & G Permits Approved	0	0	0	0	22	61	0	0	22	61
Request for Interest	0	0	0	0	0	0	0	0	0	0
Call for Information/Comments	0	0	0	0	0	0	0	0	0	0
Area Identification	0	0	0	0	0	0	0	0	0	0
Draft EIS (Published)	0	0	0	0	2	2	0	0	2	2
Final EIS (Published)	0	0	0	0	0	0	0	0	0	0
Proposed Notice of Sale	1	1	0	0	0	0	0	0	1	1
Notice of Sale	0	0	0	0	1	1	0	0	1	1
Sales	0	0	0	0	0	0	0	0	0	0
Postlease Activities:										
Exploration Plans Approved (Initial*)	0	0	0	0	61	139	0	0	61	139
Exploration Plans Approved (All)	0	0	0	0	102	213	0	0	102	213
Exploration Well Starts	0	0	0	0	71	71	0	0	71	71
Boreholes Plugged & Abandoned	0	0	0	0	41	78	0	1	41	79
APD's Approved	0	0	0	0	195	389	6	14	201	403
Development Plans Approved (Initial*)	0	0	0	0	18	38	0	0	18	38
Development Plans Approved (All)	0	0	0	0	80	145	0	0	80	145
Development Well Starts	0	0	0	0	**140	**287	4	9	**144	**296
Platform Installations	0	0	0	0	17	52	0	0	17	52
Platforms—In place	0	0	0	0	3,836	NA	23	NA	3,859	NA
Platform Removals	0	0	0	0	12	48	0	0	12	48
Platform Approvals	0	0	0	0	30	69	0	0	30	69
SOP's Approved	0	0	0	0	54	126	0	42	54	168
Current Status of Prelease & Postlease Activities:	As of June 30, 1996									
Existing Leases	79		53		*** 5,284		83		***5,499	
<200 meters	79		0		3,422		31		3,532	
200–400 meters of water	0		0		215		29		244	
400–900 meters of water	0		14		366		23		403	
>900 meters of water	0		39		1,014		0		1,053	
Acres under lease (millions)	0.37		0.30		25.77		0.42		26.86	
Producing Leases	0		0		***1,607		43		****1,650	
Fields (Total)	0		0		712		38		750	
Producing	0		0		662		11		673	
Non-Producing	0		0		50		27		77	
NA—The YTD column does not apply because the number of platforms in place changes monthly. * Does not include reviews of initial plan submittals, required plan revisions, draft plans being ^{officially} deemed complete, or requests to modify or waive a previously approved plan condition. ** Includes 4 sulphur & salt wells. *** Includes 5 sulphur leases and 1 salt lease.*** Includes 3 sulphur leases.										

Deepwater Discovery in GOM—Second to Mars

With an estimated 400 million barrels of oil equivalent, the Ursa field (located 130 miles southeast of New Orleans) is the second largest deepwater find in the Gulf of Mexico in 25 years. Ursa is owned jointly by Shell Offshore, BP Exploration, Conoco, and Exxon, and operated by Shell Offshore. The field encompasses Mississippi Canyon blocks 808,810, 852, 853, and 854.

A tension-leg platform, measuring 4,285 feet from seafloor to crown, will float in 4,000 feet of water, establishing a new world record water depth for a permanent drilling and production platform.

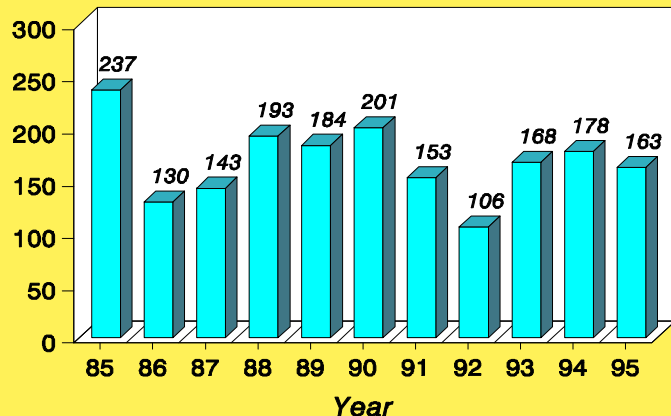
It is expected that Ursa may produce at an initial rate of up to 30,000 barrels of oil per day from an individual well. This would surpass Auger's sustained oil production rate of 13,000 barrels per day from an individual well and Mars' initial flow rate of 15,000 barrels per day from one well.

Source: MMS Internet at <http://www.mms.gov/omm/gomr/homepg/offshore/offnews.html>.

Rigs & Production Platforms

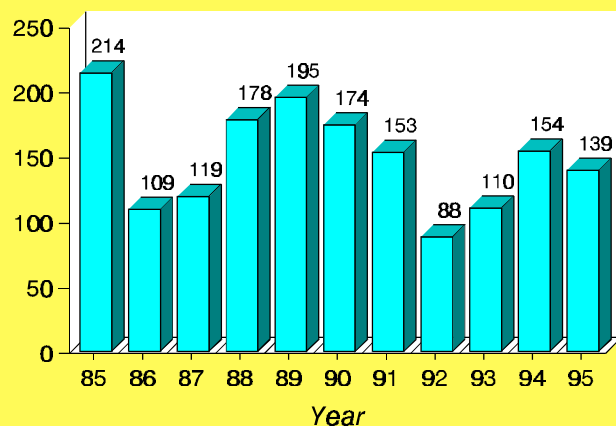
Annual OCS Rig Count [Based on 52-week average]

No. of Rigs



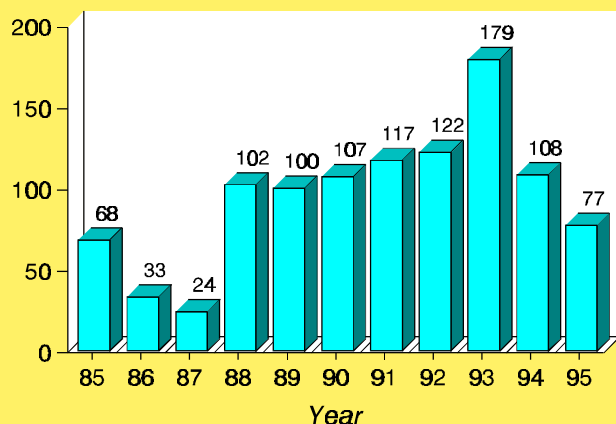
OCS Production Platform Installations

No. of Installations



OCS Production Platform Removals

No. of Removals



Deepwater Fields—GOM

[Asterisk after block number denotes producing discovery]

Project Name	Area	Block	Depth (ft)/(m)	Operator
Coulomb	MC	657	7520/2292	Shell Offshore
King's Peak	DC	133	6530/1990	Amoco
(No prospect name)	AV	575	6220/1896	BP Exploration
Mensa (SS)	MC	731	5376/1639	Shell Offshore
Diana	EB	945	4645/1416	Exxon Corporation
Fuji	GC	506	4243/1293	Texaco
Ursa	MC	854	4020/1225	Shell Offshore
Vancouver	GC	472	3780/1152	Shell Offshore
(No prospect name)	EB	688	3737/1139	Shell Offshore
Gemini	MC	292	3393/1034	Texaco
Allegheny (FPS)	GC	254	3225/983	Enserch Exploration
Ram Powell (TLP)	VK	956	3218/981	Shell Offshore
Marlin	VK	915	3200/975	Amoco
Mars (TLP) (SS)	MC	807	2940/967*	Shell Offshore
Auger (TLP)	GB	426*	2861/872	Shell Offshore
Brutus (SS)	GC	158	2841/866	Shell Offshore
Troika	GC	244	2672/814	BP Exploration
Genesis (SPAR)	GC	205	2600/792	Chevron
Bison	GC	166	2518/767	Exxon Corporation
Popeye (SS)	GC	116*	2160/658	Shell Offshore
Cooper (FPS)	GB	387-388*	2080/634	EP Operating
Diamond (SS)	MC	445*	2080/634	Oryx Energy
Neptune (SPAR)	VK	826	1920/585	Oryx Energy
Pompano II (SS)	MC	28*	1800/549	BP Exploration
Rocky (SS)	GC	110*	1785/544	Shell Offshore
Jolliet (TLP)	GC	184*	1760/536	Conoco Inc.
Petronius	VK	786	1754/535	Texaco
Thor	VK	825	1710/521	Oryx Energy
Baldpat ¹ (CT)	GB	260	1650/503	Amerada Hess
(No prospect name)	MC	441*	1520/463	Enserch Exploration
Klamath	EWB	921	1500/457	British-Borneo Exploration
Tahoe (SS)	VK	783*	1494/455	Shell Offshore
Zinc (SS)	MC	354*	1460/445	Exxon
Lafitt Pincay	EWB	958	1450/442	Tatham Offshore
Alabaster (FP)	MC	397*	1390/424	Exxon
Bullwinkle (FP)	GC	65*	1353/412	Shell Offshore
Pompano I (FP) (SS)	VK	990*	1290/393	BP Exploration
Shasta (SS)	GC	136*	1045/319	Texaco Exploration
(No name) (SS)	VK	862*	1043/318	Walter Oil & Gas Co.
Amberjack	MC	109*	1030/314	BP Exploration
Cognac (FP)	MC	194*	1025/312	Shell Offshore
Seattle Slew	EWB	914*	1019/311	Tatham Offshore
Lena (CT)	MC	281*	1001/305	Exxon Corporation

FP = Fixed Platform FPS = Floating Platform System CT = Compliant Tower TLP = Tension Leg Platform SS = Subseas System SPAR = unit consisting of single point buoy tanker loading and mooring platform with storage tank

AV = Atwater Valley DC = Desoto Canyon EB = East Breaks EWB = Ewing Banks GB = Garden Banks GC = Green Canyon MC = Mississippi Canyon VK = Viosca Knoll

* Producing discovery

¹ Correction made since last issue (was Antioch in previous issue) as per Amerada Hess

Mars Surpasses Auger's Record

Mars, a permanent production platform operated by Shell and owned jointly by Shell Offshore and BP Exploration, set a new Gulf depth-production record in 2,940-foot waters. This beat the record depth of 2,860 feet set by Shell's Auger in 1994.

Inspections, Compliance & Training—1996

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total YTD
• Inspections:													
OCS drilling facilities	104	84	116	123	169	141							737
OCS production facilities	227	337	317	315	600	523							2,317
Pipeline inspections	11	7	18	33	22	23							114
Measurement/Site Security	243	153	292	378	523	414							2,003
Workover/Completion	39	37	37	56	73	70							441
Abandonment	7	0	2	4	2	4							19
Environmental	29	27	38	61	97	56							308
• Compliance:													
Citations (INC's*)	184	240	419	359	699	484							2,385
• Enforcements:													
Component shut-ins	95	111	189	189	331	130							1,045
Drilling facility shut-ins	10	7	9	22	23	5							76
Production facility shut-ins	7	7	9	5	29	18							75
• Training:													
Certified schools	57	57	57	57	57	57							NA
**Certificates issued	1,881	2,361	1,964	1,408	1,232	188							9,034
-Driller	813	951	531	563	433	9							3,300
-Completion/Workover	638	723	351	408	396	18							2,534
-Well servicing	325	468	277	269	250	30							1,619
-Production safety system	105	219	274	168	153	131							1,050
Note: Subpart O lessee training regulations became effective February 15, 1991. NA—Not applicable. n.a.—not available at this time. *Incidents of Noncompliance. **Partial data count.													

Regional OCS Oil Spill Data

OCS Oil Spill Data 1986–95							
Year	GULF OF MEXICO REGION			PACIFIC REGION			Total OCS Spillage (barrels)
	Number of Spills by Volume		Total GOM Spillage (barrels)	Number of Spills by Volume		Total Pacific Spillage (barrels)	
	>1–50 barrels	>50 barrels		>1–50 barrels	>50 barrels		
1986	45	3	572	3	0	12	584
1987	35	1	231	2	0	11	242
1988	30	3	15,971	1	0	2	*15,978
1989	24	1	476	3	0	8	484
1990	35	3	19,308	0	1	100	19,408
1991	33	1	646	3	0	61	707
1992	29	2	2,336	0	0	0	2,336
1993	24	0	147	0	0	0	147
1994	20	4	4,725	3	0	83	4,808
1995	31	3	773	1	0	**1	774
* Includes one spill of 5 barrels on the Alaska OCS.							
** 1.4 barrels rounded to 1 barrel.							
Note: In 1995, three spills were greater than 50 barrels: East Cameron 219 (75 barrels of condensate), High Island A371 (89 barrels of diesel fuel), and West Cameron 198 (435 barrels of condensate).							

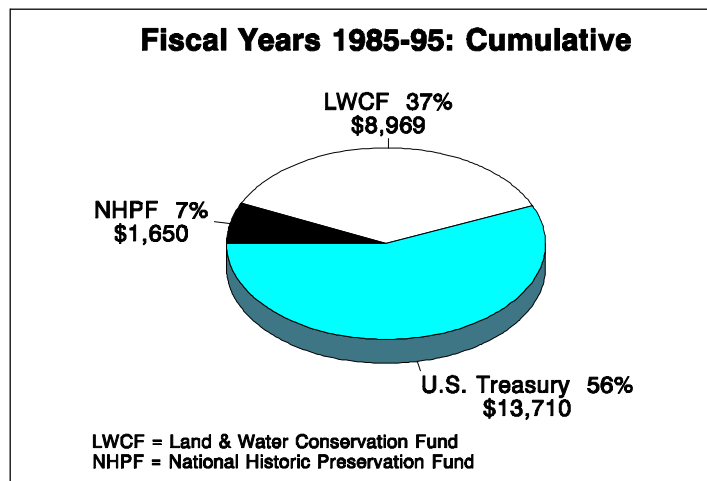
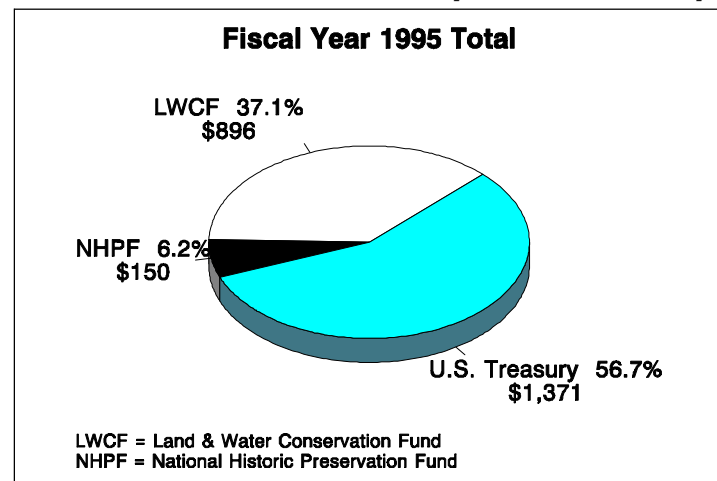
OCS Revenues—Rents & Royalties [in millions of dollars]

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Total
Rental:													
1996.....	3.58	0.37	0.43	8.23	15.58	18.92							47.11
1995.....	0.42	0.25	1.11	10.13	7.96	15.91	9.10	15.03	6.52	11.14	5.34	3.83	86.75
Royalty:													
1996.....	188.32	263.07	271.11	314.20	255.89	317.17							1609.76
1995.....	185.28	195.40	160.95	184.56	186.38	208.66	199.09	190.00	172.58	172.85	174.64	0	2,030.39

Disbursements—Section 8(g) by State [in thousands of dollars]

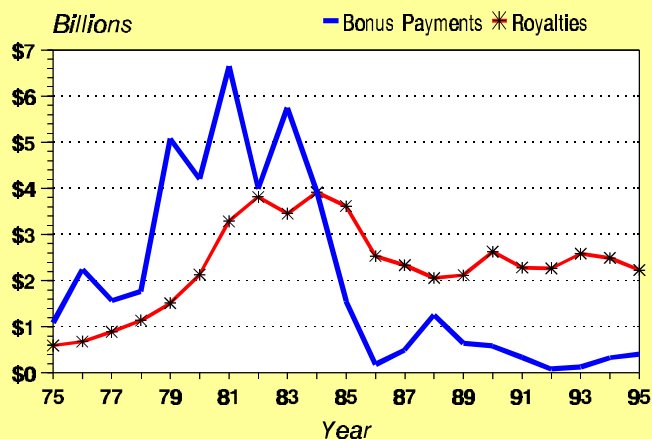
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Total
• AL:													
1996.....	659.56	833.45	1,157.39	1,305.95	970.98	1,380.15							6,307.48
1995.....	518.04	659.71	583.91	512.27	389.43	552.90	594.99	672.37	567.34	544.84	543.73	463.70	6,603.22
• AK:													
1996.....	0.00	0.00	0.00	0.00	92.58	0.00							92.58
1995.....	4.98	0.00	0.00	0.00	0.00	0.00	0.00	6.15	0.00	4.98	18.64	0	34.75
• CA:													
1996.....	280.79	527.34	304.94	360.95	280.00	675.51							2,429.53
1995.....	440.25	391.96	446.16	412.22	404.65	487.56	505.77	443.65	293.46	521.09	496.29	219.29	5,062.37
• FL:													
1996.....	0.00	0.00	0.00	0.00	0.00	0.00							0.00
1995.....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.10	0	0	1.10
• LA:													
1996.....	622.37	1,049.31	1,310.42	1,169.14	1,222.95	1,200.56							6,574.75
1995.....	634.33	683.67	609.82	808.88	548.43	682.52	728.75	855.23	659.78	719.19	632.66	736.51	8,299.75
• MS:													
1996.....	21.36	35.92	23.13	70.09	32.53	54.80							237.83
1995.....	0.00	0.00	0.00	9.81	31.08	21.55	9.98	35.64	19.21	26.97	20.74	30.32	205.29
• TX:													
1996.....	756.85	876.16	917.55	781.87	709.99	754.93							4,797.35
1995.....	549.75	737.18	584.26	723.08	461.11	506.32	704.04	598.27	722.48	1,156.43	1,513.98	757.61	9,014.51

Other Disbursements [in millions of dollars]

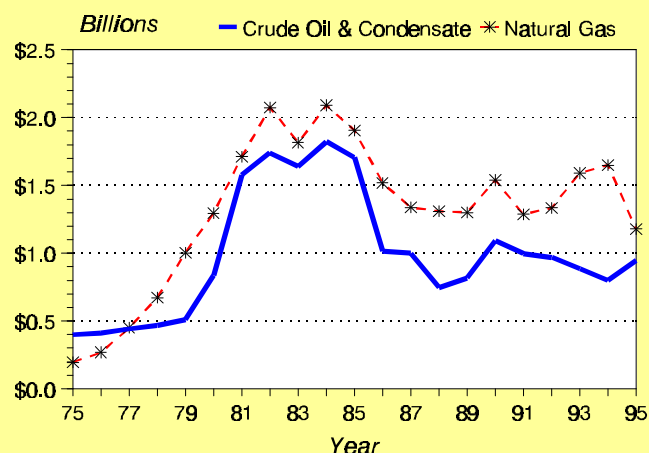


OCS Revenue Contributions

Royalties vs. Bonus Payments [Rents for 1995 were \$86.75 Million]



OCS Production Royalties



OCS Civil Penalties Paid in FY96

Case Number	Violation Description	Violation Date(s)	Penalty	
			Amount	Date Paid
GOM-94-16 ...	Well A-7 mud-pit-level indicator inoperative during well-completion operations	12/08/93	\$1,200	10/11/95
GOM-94-23 ...	Isolation valves on sump tank's LSH were closed	05/02/94	\$1,200	05/16/96
GOM-94-25 ...	Wells D-2 and D-12 had SCSSV's bypassed and testing requirement for well D-2 was exceeded	04/19/94	\$4,200	08/09/96
GOM-94-27 ...	Shale shaker gas detection system inoperative; mechanical ventilation system alarm was inoperative	05/23/94	\$19,500	08/01/96
GOM-94-30 ...	Three SCSSV's not closed during rig movement.	05/24/94	\$6,000	05/30/96
GOM-94-31 ...	SCSSV bypassed on well A-2	06/15/94	\$2,000	10/10/95
GOM-94-32 ...	Gas detection system for mud pit room bypassed	06/16/94	\$8,000	01/22/96
GOM-94-33 ...	Pollution —LSH bypassed on flare gas scrubber	06/09/94	\$6,000	02/02/96
GOM-94-35 ...	SCSSV for well C-2 manually bypassed by closing the casing pressure exhaust header valve at the well	07/01/94	\$2,000	02/27/96
GOM-94-37 ...	No gas-detecting equipment in the mud system to monitor the drilling mud returns	07/14/94-07/18/94	\$10,000	01/15/96
GOM-94-38 ...	Wells C-3, C-6, C-9, and C-16 were allowed to flow with leaking FSV	06/21/94-06/30/94	\$12,000	10/27/95
GOM-94-39 ...	Produced with SCSSV leaking	09/14/94	\$15,000	10/26/95
GOM-94-41 ...	Due to inoperative sump system, 25 bbls spilled into GOM; no firewater system; facility unmanned; no daily inspection for pollution, site security on storage tank, nor other unsafe operations	09/02/94	\$14,300	01/31/96
GOM-95-01 ...	LSH on sump tank and PSL on glycol pump bypassed	10/20/94	\$3,000	12/04/95
GOM-95-02 ...	PSHL bypassed on the fuel gas scrubber and generator fuel gas	10/03/94	\$3,000	12/04/95
GOM-95-03 ...	LSH bypassed on sump tank	07/09/94	\$800	01/17/96
GOM-95-09 ...	Wells 52 and 79—SSCSV not tested within 6-month interval; Well 99—SCSSV bypassed at hydraulic line	02/01/95	\$18,000	03/20/96
GOM-95-10 ...	Well B-12—SSCSV not pulled, inspected, and rerun at 12-month interval	08/01/94-08/25/94	\$3,500	03/26/96
GOM-95-11 ...	Supply gas to sump pump closed off—resulted in 2 bbls pollution	05/25/95	\$15,000	07/16/96
GOM-95-12 ...	During wireline operations, nonfusible mechanical opener held SSV open	11/22/94	\$3,000	03/13/96
GOM-96-01 ...	Well A-7 SCSSV blocked out of service	03/28/94	\$1,500	03/08/96
GOM-96-03 ...	SSV for well A-1 was leaking and was left in service for 5 days	08/09/94-08/13/94	\$5,000	07/23/96
GOM-96-07 ...	Gas compressor leaking oil, sump tank receiving excessive pressure, LSH on sump tank inoperative	07/19/95	\$11,000	06/26/96
GOM-96-14 ...	LSH for supply gas scrubber bypassed and blocked out of service	05/20/95-05/24/95	\$25,000	09/24/96
Total Penalties Paid 10/01/95-09/30/96			\$190,200	

Historical Firsts—Onshore & Offshore

• First well drilled specifically for oil (Titusville, PA)	1859
• First jack-up drillship patent (Samuel Lewis)	1869
• First over-water well drilled (Summerland, CA)	1896
• First drilling mud used (Spindletop)	1900
• First GOM well drilled (Creole Field)	1938
• First GOM OCS exploratory well drilled	1946
• First offshore lease sale	1954
• Production from water depths exceeding 100 ft.	1955
• World's first drillship (<i>Cuss I</i>) (Santa Barbara Channel)	1956
• First subsea well drilled	1961
• First Pacific OCS exploratory well drilled	1963
• Birth to North Sea oil and gas industry with Ekofisk Field discovery	1969
• World's first offshore concrete gravity base structure (Beryl platform)	1975
• First Alaska OCS exploratory well drilled	1976
• First Atlantic OCS exploratory well drilled	1977
• First fixed platform installed beyond 1,000 ft. water depth	1979
• First artificial island built in the Arctic	1982
• First compliant guy-towered platform (in GOM)	1983
• First oil produced from beneath 2,000 ft. of water	1984
• First horizontal wells drilled offshore	1991
• 3D seismic data acquisition set global trend	1992
• First sub-salt discoveries in the U.S. Gulf	1993

Source: Pennwell Publishing Company

Customer Response Request

Is This Newsletter Beneficial to You?

We really would like to know if you find this newsletter useful. We are trying to cut costs to reduce government spending; however, we do not want to eliminate any information that benefits our customers. Either a phone call, fax, or written notice from you would help us make this determination. To you who have already responded, Thank You.

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MMS Internet Home Page

Offshore Stats is now available on the MMS worldwide website at <http://www.mms.gov>. You will also find information about MMS programs, initiatives, and regulatory activities. Also, through MMS's home page, you may access the home pages of the Royalty Management Program and the Gulf of Mexico, Pacific, and Alaska OCS Regions.

NOTE: Data in the tables and graphs reflect a cut-off date of June 30, 1996.

MMS Offshore Stats is published four times a year by the Information & Training Branch (ITB) of Operations & Safety Management. Please direct inquiries and comments to Mary Hoover or Joe Levine, Chief, ITB, (703) 787-1032.

Copies are free, upon request, from MMS's Document Distribution Center, 381 Elden St., Herndon, VA 20170-4817; phone (703) 787-1080.

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